MAIL PRESORTING AND DELIVERY AGREEMENT

Agreement made December 15, 2015, between Brookings County, hereinafter referred to as the "Customer", and Qualified Presort Service LLC, hereinafter referred to as the "Contractor".

The parties to this agreement, in consideration of the mutual covenants and stipulations set out herein, agree as follows:

SECTION ONE

This agreement shall be for 36 months and will extend year to year after the initial 36 month period. Either party may cancel this agreement immediately after notice, if the other party does not comply with the terms of the agreement, or upon 30 days written notice after the initial 36 month period.

SECTION TWO

The Contractor will perform the following services:

- 1. Contractor will provide a processing system of presorting and delivering mail to the Sioux Falls Post Office each day, except as noted in clause 2 below.
- 2. Contractor will pick-up Customer's mail at Customer's location on Monday, Tuesday, Wednesday, Thursday, and Friday of each week except for the following holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Daily mail pick-up at the Customer's location will be at approximately 3:00 pm. All first class mail will be delivered to the Sioux Falls Post Office the same day it is picked up unless the first class mail is picked-up after 5:00pm (CST). If the first class mail is picked up after 5:00pm (CST), Contractor cannot guarantee same day delivery.
- 3. Contractor's drivers will be in uniform and drive vehicles, which are clearly marked as Contractor's vehicles.
- 4. Contractor will invoice the customer on the 15th and the last day of each month.
- 5. Contractor will bill the Customer at the rates listed in Addendum A.
- 6. Contractor will provide a certificate of liability coverage per Customer's request.
- Contractor will pick-up and process all Foreign and Certified mail and return Certified
 receipts to the Customer. The Contractor will not process or be responsible for U.S.P.S.
 Registered mail.
- 8. Contractor will provide mailing trays and tubs on an "as needed basis".

- 9. Contractor will run all daily mail against NCOALink for USPS approved Move Update.
- 10. Contractor agrees to utilize reasonable efforts to maintain the confidentiality of the mail provided by the Customer, and the Contractor will not make such information available to any unauthorized person, corporation or entity.

SECTION THREE

The Customer will perform the following duties:

- 1. Customer agrees to provide Contractor with all of Customer's daily First Class mail during the term of this agreement.
- 2. Customer will make payment to Contractor within 30 days after Contractor's invoice is received.
- 3. If Contractor is metering Customer's mail, Customer will provide a one-month estimated postage deposit.
- 4. The Customer will name a key person the Contractor may contact in case of any problems. NAME
- 5. Contractor must be notified of any excess mail quantities over and above Customer's daily mail average in order to meet same day delivery standards. If the Contractor is not contacted in advance, some mail volume may be held over for processing the next working day.

SECTION FOUR

This instrument (including Addendum A) contains the entire agreement between the parties, and no statements, promises, or inducements by either party or agent of either party that are not contained in this written contract shall be valid or binding; and this contract may not be enlarged, modified, or altered except pursuant to the written agreement of the parties and endorsed hereon.

SECTION FIVE

This agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, assignees, and successors of the respective parties. This Agreement shall be binding upon and fully enforceable against any person, corporation or other entity that acquires all or substantially all of the assets of the Customer.

SECTION SIX

In the event of a catastrophic disaster Contractor anticipates to be able to be metering mail within 48 hours. This metering would be at full postage until Contractor can take delivery of new O.C.R. sorting equipment. This new equipment would be contingent on supplier's availability at the time of said event.

SECTION SEVEN

Minnehaha County, South Dakota, shall be the proper place of venue for suit on or in respect of this Agreement. This Agreement and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of South Dakota.

SECTION EIGHT

Contractor shall not be liable by reason of any failure in performance pursuant to this agreement if such failure arises as a result of causes beyond Contractor's control.

SECTION NINE

In the event that any mail piece belonging to the Customer is lost, damaged or destroyed through the negligence of QPS, or through other circumstances for which QPS is responsible, QPS's sole obligation, and the Customer's sole and exclusive remedy, shall be QPS replacing the lost, damaged or destroyed mail piece, without any consideration given as to the information stored therein. QPS shall not be liable for the loss of any information contained on any said mail piece.

CONTRACTOR SHALL NOT UNDER ANY CIRCUMSTANCES, BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, REVENUE OR BUSINESS), REGARDLESS OF WHETHER CONTRACTOR HAS BEEN ADVISED AS TO THE POSSIBILITY OF SUCH DAMAGES, AND WHETHER SUCH DAMAGES ARE SOUGHT BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY IN TORT, OR ANY OTHER LEGAL THEORY. ADDITIONALLY, QPS SHALL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO ANY THIRD PARTY.

SECTION TEN

The Customer may not assign or transfer this agreement without prior written consent of Contractor.

SECTION ELEVEN

In the event of non-payment or other breach by the Customer, the Customer shall be responsible for all costs and expenses incurred by Contractor as a result thereof, including but not limited to reasonable attorney fees. Should the Customer fail to pay any sum when due, Contractor shall have the right, with or without notice to the Customer, to cease providing services to the Customer.

SECTION TWELVE

In the event that any provision, section, or portion of this Agreement shall be held invalid, illegal or unenforceable, such invalidity, illegality or un-enforceability shall not affect any other provisions, sections, or portions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this agreement.

QUALIFIED PRESORT SERVICE, LLC	BROOKINGS COUNTY
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

Addendum A

<u>Letters</u>

= \$0.439 cents per 1 ounce letter* Postage

Sorting Fee = \$0.021 cents per piece

= \$0.10 cents per piece (If needed) Metering Fee

Non-Qualifying Fee = \$0.046 cents per piece**

= \$0.00 per month Daily Pickup Fee

Flats

Postage = \$0.02 cents less than full postage*

= \$0.00 cents per piece Sorting Fee = \$0.00 cents per piece Metering Fee

Parcels

= \$0.02 cents less than full postage* Postage

Sorting Fee = \$0.00 cents per piece = \$0.00 cents per piece Metering Fee

- *Postage rates are subject to future USPS rate increases that may apply.
- **Any pieces that fail to qualify for an 11 digit barcode will be charged back to Customer at the First Class rate at the existing time.